

Guiding Principles As set forth in ESSHB 1688

The Task Force is to be guided by considering the following principles:

1. Impact of the supply of health services on utilization.
2. Effect of new health services/facility on expenditures.
3. Impact of new health facilities/services/equipment on quality and outcomes.
4. Current coverage of facilities and services is to remain.

The Task Force is to develop criteria, including consideration of:

1. Public Need
 - a) Specific health needs of an area
 - b) Positive impact on health indicators of population served
 - c) Substantial risk for inappropriate utilization
 - d) Accessibility for all residents
 - e) Data to indicate QI
2. Impact on orderly economic development of health facilities and health resources
 - a) Impact on total health expenditures
 - b) Affect on existing providers and facilities service for underinsured/uninsured
 - c) Availability of state funds to cover increased cost
 - d) Potential of more effective or accessible or less costly alternatives

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Sec. 3.1. In conducting the certificate of need study and preparing recommendations, the task force shall be guided by the following principles:

- (a) The *supply of a health service can have a substantial impact on utilization* of the service, independent of the effectiveness, medical necessity, or appropriateness of the particular health service for a particular individual;
- (b) Given that health care resources are not unlimited, the *impact of any new health service or facility on overall health expenditures in the state must be considered*;
- (c) Given our increasing ability to undertake technology assessment and measure the quality and outcomes of health services, the *likelihood that a requested new health facility, service, or equipment will improve health care quality and outcomes must be considered*; and
- (d) It is *generally presumed that the services and facilities currently subject to certificate of need should remain subject to those requirements*.

Sec. 3.2. The task Force shall, at a minimum, examine and develop recommendations related to the following issues: . . .

(d) The criteria for review of certificate of need applications, as currently defined in RCW 70.38.115, with the goal of having criteria that are consistent, clear, technically sound, and reflect state law, including consideration of:

- (i) *Public need for the proposed services* as demonstrated by certain factors, including, but not limited to:
 - (A) Whether, and the extent to which, the project will substantially *address specific health problems as measured by health needs in the area to be served by the project*;
 - (B) Whether the project will have a *positive impact on the health status indicators of the population to be served*;
 - (C) Whether there *is a substantial risk that the project would result in inappropriate increases in service utilization or the cost of health services*;
 - (D) Whether the services affected by the project *will be accessible to all residents of the area proposed to be served*; and
 - (E) Whether the project *will provide demonstrable improvements in quality and outcome measures applicable to the services proposed in the project, including whether there is data to indicate that the proposed health services would constitute innovations in high quality health care delivery*;
- (ii) *Impact of the proposed services on the orderly and economic development of health facilities and health resources for the state* as demonstrated by:
 - (A) The *impact of the project on total health care expenditures* after taking into account, to the extent practical, both the costs and benefits of the project and the competing demands in the local service area and statewide for available resources for health care;

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- (B) The *impact of the project on the ability of existing affected providers and facilities to continue to serve uninsured or underinsured residents of the community and meet demands for emergency care*;
- (C) The *availability of state funds to cover any increase in state costs* associated with utilization of the project's services; and
- (D) The *likelihood that more effective, more accessible, or less costly alternative technologies or methods of service delivery may become available*;